



Remarks

The Office Action dated September 13, 2001, has been noted, and its contents carefully studied. In light of the above amendments and the following discussion, reconsideration is courteously requested.

The Rejection Under 35 U.S.C. § 112 and Objection to Informalities

With respect to various informalities, initially, it is noted that new formal drawings are submitted herewith to replace the originally-filed informal drawings. Further, amendment to claims 8 and 22, as well as 28, 31, and 36 has been made to specifically spell out what is meant by the abbreviations "MICR", "ECP", and "ACH". Still further, claim 22 has been amended to delete the term "or other method" which the Examiner has asserted renders the claim indefinite.

Accordingly, it is respectfully urged that all claim informalities and rejections under 35 U.S.C. § 112 have been addressed, and the Examiner is courteously requested to withdraw the objection to informalities and the rejection under 35 U.S.C. § 112.

The Rejection Under 35 U.S.C. § 101

The Examiner has rejected various claims because of the specific characterization of the location within which the invention is practiced as being one of various things including automatic teller machines owned and operated by someone other than the owner of the second location, the first location being a bank, retail business location, business or being located outside the United States. The Examiner has indicated that the claim limitations are considered non-functional descriptive material which have no bearing on the utility of the invention.

Applicant respectfully disagrees with the Examiner's characterization inasmuch as the characterization of the types of locations with which the invention is practiced is critical to a full understanding and appreciation of the breadth and scope of the invention, inasmuch as it properly characterizes the fact that the invention can be practiced for purposes of various financial transactions on a worldwide basis and across a number of different institutions, including those not controlled by a single entity, for the purposes of allowing those financial transactions to take place in an efficient manner without reliance

on traditional bank depository methods and processes. As such, the noted language clearly limits the claim and provides the required contribution to the utility of the invention and as such, the rejection under 35 U.S.C. § 101 should be withdrawn.

The Invention

Turning now to the invention, in a method aspect, the invention is directed to a method for image-based transactions, which includes the steps of receiving at a first location at least one of an instrument and cash having a front face and a back face. The front face and the back face of the instrument or cash are scanned to create a deposited instrument or an electronic validation of deposited cash. An image of the scanned deposited instrument or cash is then transmitted from the first location to a second location and the transaction is processed with the image of the scanned deposited instrument or electronic validation of deposited cash.

More specifically, as now amended, claim 1 now requires that the transaction be processed at the second location with the image and its support for such an amendment is found, for example, on page 2, lines 23-28 of the application as well as throughout the detailed discussion. As a result, pickup of the instrument or cash received at the first location can be delayed or eliminated. This results at least in cost savings or improvement in payment settlement times. This among other aspects of the invention's benefits is further characterized in a "whereby" clause added to the independent claims.

In this context, it is pointed out that the clarification of claim 1 as now amended lends further support to the arguments urging withdrawal of the 35 U.S.C. § 101 rejection in that the limitation of the locations to those recited in the dependent claims objected to clearly supports the utility which is apparent from claim 1 as now amended, as well as independent claim 24, which is further discussed hereinafter.

In a context of the system claims, the invention includes a scanner located at a first location and configured for scanning the front face and back face of an instrument or cash which have a front face and a back face, for creating an image of a deposited instrument or deposited cash. The system includes a means for transmitting an image of the scanned deposited instrument or cash from the first location to a second location. Means for receiving the transmitted image of the scanned deposited instrument or cash is

provided at the second location, and the second location is configured to process the transaction with the image of the scanned deposited instrument or cash at the second location to provide the advantages and other advantages as discussed with reference to claim 1.

In this context, it is respectfully urged that the noted amendments to the claims are for clarification purposes only and not required to distinguish over the art as initially presented and properly interpreted, in the context of what is meant by a first and a second location. The NCR as well as Cahill references relate to specific functionality provided, in the case of NCR, at a single location where everything occurs at the automated teller machine (ATM). Cahill merely relates to an archival system to facilitate paperless retention of images of processed instruments such as checks at a single location.

Turning now to a discussion of the references, it will become clearly evident that the claims are clearly patentable over the references cited, and not anticipated under 35 U.S.C. § 102 and/or obvious under 35 U.S.C. § 103. This will become clearly evident from the following detailed discussion of these references which is presented herein for the Examiner's kind consideration.

**NCR Corp's New Automated Teller Machine
(Product Announcement, January 20, 1993)**

The product announcement of NCR Corp.'s (hereinafter NCR) new automated teller machine is asserted to meet every one of the steps of independent claim 1, including transmitting the scanned deposited instrument or cash from the first location to a second location, and processing a transaction with the scanned deposited instrument or electronic validation of deposited cash. It is respectfully urged that the Examiner is incorrect in such a characterization inasmuch as the latter two steps are not met, as further clarified by the amendments made to independent claim 1.

More specifically, as now clarified with respect to claim 1, an image of the scanned deposited instrument is transmitted from the first location to the second location and the transaction is processed at the second location with the image, as a result pickup of the instrument or cash received at the first location can be delayed or eliminated resulting in at least a cost savings or improvement in payment settlement times.

NCR, in contrast, discloses an ATM which will take some of the burden off the back office with only a speculative discussion of future implications. NCR discloses that the electronic check image of customer deposits are captured along with the dollar amount and MICR line at the ATM. The check is encoded and endorsed, and the ATM displays both the front and back of the check image to the customer, assuring the customer that the deposit has been properly accepted. Once all the steps of deposit are met, the system then prints a receipt for the customer, and the check is transferred to a storage area in the ATM (a single location), and ready for high-speed sorting and later processing at another location.

There is no teaching or suggestion that the product announced is capable of transmitting an image of the scanned deposited instrument or cash from the first location to a second location, for example, from an ATM to a bank, so that the transaction is immediately processed at the second location using the image of the scanned deposited instrument or electronic validation of deposited cash, without requiring actual processing with the printed paper instrument or cash. Instead, NCR clearly states that while certain capabilities are provided for the customer to receive cash, this is no different than current technology whereby a customer can withdraw cash from an ATM. Even in the case of the deposited paper instruments, processing is deferred until the paper is actually picked up and transmitted to the second location, i.e., the back end. At the end of the NCR reference, it is contemplated that eventually check data could even be automatically sent to the back office for posting. However, there is no detail or discussion of how it would be done or whether that would be done instantaneously or with some delay of hours, days or even weeks.

As such, the Examiner's interpretation of what the NCR reference teaches alone or in combination with the hereinafter discussed Cahill reference is merely a hindsight interpretation of the cited references after knowledge of Applicant's invention. Such a hindsight interpretation is clearly impermissible under the law, and it is respectfully urged that not only does the NCR reference fail to anticipate the claims under 35 U.S.C. § 102 but fails to render the claims obvious under 35 U.S.C. § 103 either alone or in combination with the hereinafter discussed Cahill reference. The same comments apply with respect to independent system claim 24 and for the reasons set forth with respect to

claim 1, it is also respectfully urged that claim 24 is clearly patentable over the NCR reference.

A number of the dependent claims are also patentable for the reasons set forth with respect to the independent claims from which they depend. In this context, while such dependent claims may recite certain steps and/or items which are known in the prior art, in the context of the total method and system of the invention, they are not anticipated or rendered obvious by cited references.

In addition, the subject matter of some of the independent claims are clearly patentable standing alone in the context of the cited references. For instance, there is nothing in NCR which teaches or suggests recreating of the instrument on paper at the second location as a result of the transaction which has been conducted. Similarly, the features of claim 20 where the information on the instrument is compared to information contained in a file of indicators of potential loss is clearly not taught or suggested by NCR. Similarly, there is no discussion or suggestion in NCR or Cahill of how presentment and processing is conducted as recited in claims 21-23, as well as in any corresponding system claims dependent from claim 24.

Thus, it is respectfully urged that all of the claims are clearly patentable over the NCR reference standing alone or in combination with the Cahill reference to be discussed hereafter.

U.S. Patent No. 5,940,844 to Cahill, et al

U.S. Patent No. 5,940,844 to Cahill, et al (hereinafter Cahill), provides a system and method for storing and retrieving images of previously processed documents such as checks. More specifically, the U.S. government traditionally has required that financial institutions maintain a seven-year library of all checks deposited and/or paid from an institution's accounts. Payor banks thus must maintain millions upon millions of copies of checks in their files. Such maintenance involves associated cost to fulfill customer's requests for copies of checks or to comply with subpoenas. Countless man-hours of searching are required to located copies of the requested instruments.

In accordance with the teachings of Cahill, a customer of a banking institution utilizes a work station to request and retrieve copies of checks from the banking

institution. More specifically, the customer work station is used to retrieve copies or images of checks and/or print such copies by connecting to the institution's archive in an environment which has nothing to do with image-based transactions but rather to document a prior transaction which has occurred, oftentimes many years after the fact. As such, in the context of the claims such as claims 4-6, Cahill has nothing to do with a method for image-based transactions, and it is only after a hindsight interpretation of Cahill that the Examiner has been able to combine Cahill with the NCR reference, which still fails to anticipate the claims under § 102 contrary to what has been asserted, to arrive at Applicant's claimed invention. In fact, if one were to consider the two referenced cited without knowledge of Applicant's claimed invention, there is no motivation or suggestion to combine the two in a manner which anticipates or renders Applicant's invention obvious.

Thus, for the foregoing reasons, and in light of the amendments to the claims, it is respectfully urged that all of the claims define patentable subject matter under 35 U.S.C. §§ 101, 102, 103 and/or 112. Nonetheless, should the Examiner still have any comments, questions or suggestions of a nature necessary to expedite the prosecution of the application, or to place the case in condition for allowance, he is courteously requested to telephone the undersigned at the number listed below.

Amendments in the Claims:

In accordance with 37 CFR 1.121(c), the following versions of the claims as rewritten by the foregoing amendment show all the changes made relative to the previous versions of the claims.

1. (Amended) A method for image based transactions, comprising:
 receiving at a first location at least one of an instrument and cash having a front face and a back face;
 scanning the front face and the back face of said at least one of an instrument and cash to create a deposited instrument or an electronic validation of deposited cash;
 transmitting an image of the scanned deposited instrument or cash from the first location to a second location; and
 processing a transaction at the second location with the scanned image of the deposited instrument or electronic validation of deposited cash, whereby pickup of said at least one of an instrument and cash received at the first location can be delayed or eliminated, resulting at least in cost savings or improvements in payment settlement times.
2. (Amended) The method of claim 1, wherein the deposited at least one of an instrument and cash is a check; and wherein said processing comprises crediting a deposit in the amount of the check to a customer's account.
3. (Amended) The method of claim 2, further comprising displaying an image of the scanned at least one of an instrument and cash on a terminal display at the first location to provide confirmation to a customer that the deposit has been accepted.
4. (Amended) The method of claim 1, wherein the scanning is conducted on an instrument and further comprising recreating the image of the scanned deposited instrument onto paper.

5. (Amended) The method of claim 4, wherein said recreating of the instrument onto paper further comprises cutting the paper to the size of a check.

6. (Amended) The method of claim 5, wherein said recreating of the instrument onto paper is done at the second location.

7. (Amended) The method of claim 1, wherein said first location is an automatic teller machine, owned and operated by a bank for its customers, having a scanner and display, and the method further comprising storing the scanned at least one of an instrument and cash in the automatic teller machine.

8. (Amended) The method of claim 4, further comprising recreating the scanned deposited instrument into a paper image which is Magnetic Image Character Recognition (MICR) encoded.

9. (Amended) The method of claim 1, further comprising separately entering the amount on the at least an instrument and cash which has been scanned, comparing the amount entered with the amount scanned, and if the scanned amount matches the entered amount, conducting the processing of the transaction.

10. (Amended) The method of claim 1, further comprising composing, encrypting and digitally signing the instrument before the transmission to the second location for processing.

11. (Amended) The method of claim 1, wherein said first location is an automatic teller machine, owned and/or operated by someone other than the owner of the second location.

12. (Amended) The method of claim 1, wherein said at least one of an instrument and cash is a check.

13. (Amended) The method of claim 1, wherein said first location is a branch of a bank.

14. (Amended) The method of claim 1, wherein said first location is a retail business location.

15. (Amended) The method of claim 1, wherein said first location is a business.

16. (Amended) The method of claim 1, wherein said first location is outside the United States.

17. (Amended) The method of claim 1, further comprising voiding said instrument at the first location by printing on the instrument or destroying the instrument.

18. (Amended) The method of claim 1, further comprising endorsing the instrument.

19. (Amended) The method of claim 9, further comprising transmitting the image to another location to display to an operator for resolution if the amounts entered and scanned differ.

20. (Amended) The method of claim 1, further comprising comparing the information on the instrument to information contained in a file of indicators of potential loss.

21. (Amended) The method of claim 1, further comprising maintaining a file of payor bank preferences for how the payor bank will receive presentment, and processing the transaction in accordance with the preferences.

22. (Amended) The method of claim 21, further comprising using the information in the payor bank preference file to determine whether presentment will be by paper, Extended Capabilities Port (ECP), image, or Automatic Clearing House (ACH) ~~or other method~~.

23. (Amended) The method of claim 1, further comprising maintaining a file of routing preferences, and processing the transaction in accordance with the preferences.

24. (Amended) A system for conducting image based transactions, comprising:

means for accepting as a deposited item at a first location at least one of an instrument and cash having a front face and a back face;

a scanner located at a first location and configured for scanning the front face and the back face of at least one of an instrument and cash, ~~having a front face and a back face~~, for creating an image of a deposited instrument or deposited cash;

means for transmitting an image of the scanned deposited instrument or cash from the first location to a second location;

means for receiving the transmitted image of the scanned deposited instrument or cash, said means for receiving being located at the second location; and

means for processing a transaction with the image of the scanned deposited instrument or cash at the second location, whereby pickup of said at least one of an instrument and cash received at the first location can be delayed or eliminated, resulting at least in cost savings or improvements in payment settlement times.

25. (Amended) The system of claim 24, further comprising means for processing a transaction with the same information as if the original was available.

26. (Amended) The system of claim 25, wherein said scanner is adapted for scanning the front face and back face of a check; and wherein said means for processing is for crediting a deposit in the amount of a scanned check to a customer's account.

27. (Amended) The system of claim 26, further comprising a display located at the first location for displaying an image of a scanned at least one of an instrument and cash, for providing visual confirmation to a customer that the deposit has been accepted.

28. (Amended) The system of claim 24, further comprising a printer adapted for recreating an instrument as an image on paper, and composited with machine-readable regenerated Magnetic Image Character Recognition (MICR) encoding of the original instrument's Magnetic Image Character Recognition (MICR) code line data.

29. (Amended) The system of claim 28, wherein said printer is located at the second location.

30. (Amended) The system of claim 24, further comprising an automatic teller machine having said scanner thereon at the first location, and having a secured container region therein for storing scanned instruments or cash in the automatic teller machine.

31. (Amended) The system of claim 28, wherein said printer is capable of recreating the scanned image into a paper image which is Magnetic Image Character Recognition (MICR) encoded, and composited with machine-readable regenerated Magnetic Image Character Recognition (MICR) encoding of the original instrument's Magnetic Image Character Recognition (MICR) code line data

32. (Amended) The system of claim 24, further comprising: means for separately entering the amount on an at least one of an instrument and cash which has been scanned; and means for comparing the account entered with the amount scanned for allowing transmission to conduct processing of the transaction.

33. (Amended) The system of claim 24, further comprising means for compressing, encrypting and digitally signing the scanned at least one of an instrument and cash before transmission to the second location for processing.

34. (Amended) The system of claim 24, wherein said scanner is adapted for scanning the front face and the back face of a check.

35. (Amended) The system of claim 24, wherein said second location has means for sending the information it receives to a third location for processing within or for another bank.

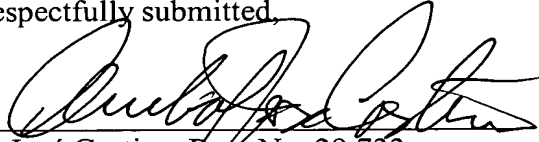
36. (Amended) The system of claim 24, wherein the second location has means for sending the information it receives to the Federal Reserve Bank or one of its offices or a clearinghouse as a third location, and the third location has means for creating the images on paper and Magnetic Image Character Recognition MICR encodes them for entry into the check processing system or sending the information to a bank for payment.

37. (Amended) The system of claim 24, further comprising means at the second for sending the information it receives directly to the payor bank or its processing agent or correspondent for payment.

38. (Amended) The system of claim 24, further comprising a device having said scanner thereon at the first location, and having a secured container region therein for storing scanned instruments or cash at a branch of a bank.

39. (Amended) The system of claim 24, further comprising a device having said scanner thereon at the first location, and having a secured container region therein for storing scanned instruments or cash at a business.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "A. José Cortina". The signature is fluid and cursive, with a large, stylized initial "A".

A. José Cortina, Reg. No. 29,733
One of the Attorneys for the Applicant
Kilpatrick Stockton LLP
3737 Glenwood Avenue, Suite 400
Raleigh, North Carolina 27612
919-420-1820 (telephone)
919-420-1800 (telecopier)
Customer No. 28372

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